

Exhibit 7

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re: Case No. 01 30923 DM, Chapter 11 Case
PACIFIC GAS AND ELECTRIC COMPANY,
a California Corporation, Debtor.
Federal I.D. No. 94-0742640

Debtor (s)

PG&E's ^{11th} 10th Post-Confirmation Report
For the quarter ending: 03/31/2007 ¹

The retested debtor hereby submits the following post-confirmation report for this calendar quarter:

- | | |
|---|--|
| 1. Date of entry of order confirming plan: | <u>12/22/2003</u> |
| 2. Cash balance at beginning of quarter (in millions): | <u>\$70</u> ³ |
| Total receipts during quarter: | <u> </u> ^{2,3} |
| Total disbursements during quarter: | <u> </u> ^{2,3} |
| Cash balance at end of quarter (in millions): | <u>\$37</u> ³ |
| 3. Payments made pursuant to the Plan this quarter (in millions): | <u>\$ -</u> ⁴ |
| Total payments to be made pursuant to the Plan: | <u>to be determined</u> |
| Cumulative paid to date (in millions): | <u>\$397</u> ⁴ |
| Balance remaining to be made under the Plan: | <u>to be determined</u> |

As of the end of this reporting periodYesNo

4. Are all payments required by the confirmed plan current at this time? [If not, attach explanatory statement identifying payments not made (by creditor, amount and date due), reason for non-payment, and an estimated date as to when payments will be brought current.]
5. Do you currently anticipate a circumstance/event which will cause an interruption or cessation of payments or other performance under the Plan? (If yes, attach an explanatory statement.)
6. Have quarterly fees due to the United States Trustee to the date of this report been paid pursuant to 28 U.S.C. § 1930(a)(6) and the Plan?

X X¹

First report shall be filed for the portion of the calendar quarter from date of confirmation to the end of quarter, and subsequent reports shall be filed at the expiration of each calendar quarter thereafter until dismissal, conversion or entry of a final decree closing the case. Reports shall be filed with the court and served on the UST not later than forty-five (45) days after expiration of the reported period. Reports following December 31 quarter-ends will be filed not later than sixty (60) days after expiration of the reported period.

- | | <u>Yes</u> | <u>No</u> |
|--|--------------------------|-----------------------|
| 7. Have all motions, contested matters, and adversary proceedings been resolved? (If no, for each such pending motion, contested matter or adversary proceeding, identify the parties and nature of the dispute and state the anticipated resolution.) | _____ | <u>X</u> ⁵ |
| 8. Has the order confirming the Plan become nonappealable? | <u>X</u> | _____ |
| 9. Have deposits, if any, required by the Plan been distributed pursuant to the Plan? (If no, please explain.) | <u>X</u> | _____ ⁶ |
| 10. Has any property proposed by the Plan to be transferred been transferred pursuant to the Plan? | <u>X</u>
(in process) | _____ |
| 11. Does any property remain to be transferred pursuant to the Plan? (If yes, identify each such property and the anticipated date of transfer pursuant to the Plan.) | <u>X</u> | _____ ⁷ |
| 12. Has the revested debtor(s) or the successor of the debtor(s) assumed the business or management of the property dealt with by the Plan? | <u>X</u> | _____ |
| 13. Anticipated date of motion for final decree: | <u>2013</u> | |

² Please see attached the Consolidated Statement of Cash Flows for the twelve months ended December 31, 2006 and the Condensed Consolidated Statement of Cash Flows for the three months ended March 31, 2007 from Pacific Gas and Electric Company's Form 10-Q as filed with the Securities and Exchange Commission. We have also included the Consolidated Balance Sheets as of December 31, 2006 and the Condensed Consolidated Balance Sheets as of March 31, 2007.

³ Pacific Gas and Electric Company's Consolidated Statements of Cash Flows include the cash flow activities related to its subsidiaries. The subsidiaries' cash balances are also included in the beginning and ending cash balances presented above.

⁴ Payments reflected are subsequent to the Effective Date (April 12, 2004) of Pacific Gas and Electric Company's plan of reorganization.

⁵ There are various pending contested matters involving Pacific Gas and Electric Company's objections to claims filed against it by certain creditors. There are also a pending appeal in one claim-related matter.

⁶ Pacific Gas and Electric Company has placed funds in five escrow accounts pursuant to an order of the Bankruptcy Court for the payment of disputed claims as they are resolved. Disbursements have been made from each of these accounts; each account has funds remaining which will be paid out as claims are resolved.

⁷ Pursuant to the Plan of Reorganization, Pacific Gas and Electric Company is to donate certain real property or place conservation easements on such property. The transactions are in process to accomplish this transfer or encumbrance of property. In addition, Pacific Gas and Electric Company has approximately \$1.2 billion in escrow as of March 31, 2007 pending resolution of disputed claims.

I declare under penalty of perjury that the statements set forth above are true and accurate.

5/15/07
Dated:


Responsible Individual (signature)

ROBERT POWELL
Print Name

Current Address:

PG&E Corporation

1 Market, Spear Tower, Suite 2400

San Francisco, CA 94105

Telephone Number:

(415) 267-7154

Pacific Gas and Electric Company
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Year ended December 31,		
	2006	2005	2004
Cash Flows From Operating Activities			
Net income	\$ 985	\$ 934	\$ 3,982
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, amortization, decommissioning and allowance for equity funds used during construction	1,755	1,697	1,494
Gain on sale of assets	(11)	—	—
Recognition of regulatory assets	—	—	(4,900)
Deferred income taxes and tax credits, net	(287)	(636)	2,580
Other deferred charges and noncurrent liabilities	116	21	(391)
Net effect of changes in operating assets and liabilities:			
Accounts receivable	128	(245)	(85)
Inventories	34	(60)	(12)
Accounts payable	21	257	273
Accrued taxes/income taxes receivable	28	(150)	52
Regulatory balancing accounts, net	329	254	(590)
Other current assets	(273)	2	55
Other current liabilities	(235)	273	395
Payments authorized by the Bankruptcy Court on amounts classified as liabilities subject to compromise	—	—	(1,022)
Other	(13)	19	7
Net cash provided by operating activities	2,577	2,366	1,838
Cash Flows From Investing Activities			
Capital expenditures	(2,402)	(1,803)	(1,559)
Net proceeds from sale of assets	17	39	35
Decrease (increase) in restricted cash	115	434	(1,577)
Proceeds from nuclear decommissioning trust sales	1,087	2,918	1,821
Purchases of nuclear decommissioning trust investments	(1,244)	(3,008)	(1,972)
Other	1	61	(27)
Net cash used in investing activities	(2,426)	(1,359)	(3,279)
Cash Flows From Financing Activities			
Borrowings under accounts receivable facility and working capital facility	350	260	300
Repayments under accounts receivable facility and working capital facility	(310)	(300)	—
Net issuance of commercial paper, net of discount of \$2 million	458	—	—
Proceeds from issuance of long-term debt, net of issuance costs of \$3 million in 2005 and \$107 million in 2004	—	451	7,742
Proceeds from issuance of energy recovery bonds, net of issuance costs of \$21 million in 2005	—	2,711	—
Long-term debt matured, redeemed or repurchased	—	(1,554)	(8,402)
Rate reduction bonds matured	(290)	(290)	(290)
Energy recovery bonds matured	(316)	(140)	—
Preferred stock dividends paid	(14)	(16)	(90)
Common stock dividends paid	(460)	(445)	—
Preferred stock with mandatory redemption provisions redeemed	—	(122)	(15)
Preferred stock without mandatory redemption provisions redeemed	—	(37)	—
Common stock repurchased	—	(1,910)	—
Other	38	65	—
Net cash used in financing activities	(544)	(1,327)	(755)
Net change in cash and cash equivalents	(393)	(320)	(2,196)
Cash and cash equivalents at January 1	463	783	2,979
Cash and cash equivalents at December 31	\$ 70	\$ 463	\$ 783

Supplemental disclosures of cash flow information

Cash received for:				
Reorganization interest income	\$	—	\$	—
			\$	16
Cash paid for:				
Interest (net of amounts capitalized)		476		390
				512
Income taxes paid, net		897		1,397
				109
Reorganization professional fees and expenses		—		—
				61

Supplemental disclosures of noncash investing and financing activities

Transfer of liabilities and other payables subject to compromise to operating assets and liabilities	\$	—	\$	—	\$	(2,877)
Equity contribution for settlement of plan of reorganization, or POR, payable		—		—		(129)
Assumption of capital lease obligation		408		—		—
Transfer of Gateway Generating Station asset		69		—		—

See accompanying Notes to the Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	(Unaudited)	
	Three Months Ended	
	March 31,	
	2007	2006
Cash Flows From Operating Activities		
Net income	\$ 261	\$ 217
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization, decommissioning and allowance for equity funds used during construction	454	401
Deferred income taxes and tax credits, net	143	(27)
Other deferred charges and noncurrent liabilities	68	55
Net effect of changes in operating assets and liabilities:		
Accounts receivable	237	303
Inventories	75	146
Accounts payable	(99)	(124)
Accrued taxes/income taxes receivable	41	202
Regulatory balancing accounts, net	(275)	(55)
Other current assets	174	(80)
Other current liabilities	(98)	41
Other	(7)	15
Net cash provided by operating activities	974	1,094
Cash Flows From Investing Activities		
Capital expenditures	(673)	(576)
Net proceeds from sale of assets	4	3
Decrease (increase) in restricted cash	(11)	52
Proceeds from nuclear decommissioning trust sales	181	435
Purchases of nuclear decommissioning trust investments	(199)	(477)
Other	-	11
Net cash used in investing activities	(698)	(552)
Cash Flows From Financing Activities		
Borrowings under accounts receivable facility and working capital facility	-	50
Repayments under accounts receivable facility and working capital facility	(300)	(310)
Net repayment of commercial paper, net of \$4 million discount on borrowings	(425)	-
Proceeds from issuance of long-term debt, net of discount and issuance costs of \$10 million in 2007	690	-
Rate reduction bonds matured	(75)	(74)
Energy recovery bonds matured	(83)	(56)
Common stock dividends paid	(127)	(115)
Preferred stock dividends paid	(3)	(3)
Other	14	107
Net cash used in financing activities	(309)	(401)
Net change in cash and cash equivalents	(33)	141
Cash and cash equivalents at January 1	70	463
Cash and cash equivalents at March 31	\$ 37	\$ 604
Supplemental disclosures of cash flow information		
Cash paid for:		
Interest (net of amounts capitalized)	\$ 115	\$ 154
Income taxes paid (refunded), net	(30)	(42)

See accompanying Notes to the Condensed Consolidated Financial Statements.

Pacific Gas and Electric Company
CONSOLIDATED BALANCE SHEETS
(in millions)

	Balance at December 31,	
	2006	2005
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 70	\$ 463
Restricted cash	1,415	1,546
Accounts receivable:		
Customers (net of allowance for doubtful accounts of \$50 million in 2006 and \$77 million in 2005)	2,343	2,422
Related parties	6	3
Regulatory balancing accounts	607	727
Inventories:		
Gas stored underground and fuel oil	181	231
Materials and supplies	149	133
Income taxes receivable	20	48
Prepaid expenses and other	714	183
Total current assets	5,505	5,756
Property, Plant and Equipment		
Electric	24,036	22,482
Gas	9,115	8,794
Construction work in progress	1,047	738
Total property, plant and equipment	34,198	32,014
Accumulated depreciation	(12,415)	(12,061)
Net property, plant and equipment	21,783	19,953
Other Noncurrent Assets		
Regulatory assets	4,902	5,578
Nuclear decommissioning funds	1,876	1,719
Related parties receivable	25	23
Other	280	754
Total other noncurrent assets	7,083	8,074
TOTAL ASSETS	\$ 34,371	\$ 33,783

See accompanying Notes to the Consolidated Financial Statements.

Pacific Gas and Electric Company
CONSOLIDATED BALANCE SHEETS
(in millions, except share amounts)

	Balance at December 31,	
	2006	2005
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	\$ 759	\$ 260
Long-term debt, classified as current	1	2
Rate reduction bonds, classified as current	290	290
Energy recovery bonds, classified as current	340	316
Accounts payable:		
Trade creditors	1,075	980
Disputed claims and customer refunds	1,709	1,733
Related parties	40	37
Regulatory balancing accounts	1,030	840
Other	402	423
Interest payable	570	460
Deferred income taxes	118	161
Other	1,346	1,255
Total current liabilities	7,680	6,757
Noncurrent Liabilities		
Long-term debt	6,697	6,696
Rate reduction bonds	—	290
Energy recovery bonds	1,936	2,276
Regulatory liabilities	3,392	3,506
Asset retirement obligations	1,466	1,587
Deferred income taxes	2,972	3,218
Deferred tax credits	106	112
Other	1,922	1,691
Total noncurrent liabilities	18,491	19,376
Commitments and Contingencies (Notes 2, 4, 5, 6, 8, 9, 13, 15 and 17)		
Shareholders' Equity		
Preferred stock without mandatory redemption provisions:		
Nonredeemable, 5.00% to 6.00%, outstanding 5,784,825 shares	145	145
Redeemable, 4.36% to 5.00%, outstanding 4,534,958 shares	113	113
Common stock, \$5 par value, authorized 800,000,000 shares, issued 279,624,823 shares in 2006 and 2005	1,398	1,398
Common stock held by subsidiary, at cost, 19,481,213 shares	(475)	(475)
Additional paid-in capital	1,822	1,776
Reinvested earnings	5,213	4,702
Accumulated other comprehensive loss	(16)	(9)
Total shareholders' equity	8,200	7,650
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 34,371	\$ 33,783

See accompanying Notes to the Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS

(in millions)	Balance At	
	March 31, 2007 (Unaudited)	December 31, 2006
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 37	\$ 70
Restricted cash	1,426	1,415
Accounts receivable:		
Customers (net of allowance for doubtful accounts of \$55 million in 2007 and \$50 million in 2006)	2,108	2,343
Related parties	4	6
Regulatory balancing accounts	895	607
Inventories:		
Gas stored underground and fuel oil	95	181
Materials and supplies	160	149
Income taxes receivable	25	20
Prepaid expenses and other	422	714
Total current assets	5,172	5,505
Property, Plant and Equipment		
Electric	24,281	24,036
Gas	9,176	9,115
Construction work in progress	1,203	1,047
Total property, plant and equipment	34,660	34,198
Accumulated depreciation	(12,516)	(12,415)
Net property, plant and equipment	22,144	21,783
Other Noncurrent Assets		
Regulatory assets	4,726	4,902
Nuclear decommissioning funds	1,894	1,876
Related parties receivable	26	25
Other	293	280
Total other noncurrent assets	6,939	7,083
TOTAL ASSETS	\$ 34,255	\$ 34,371

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS

(in millions, except share amounts)

	Balance At	
	March 31, 2007 (Unaudited)	December 31, 2006
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	\$ 39	\$ 759
Long-term debt, classified as current	-	1
Rate reduction bonds, classified as current	215	290
Energy recovery bonds, classified as current	341	340
Accounts payable:		
Trade creditors	805	1,075
Disputed claims and customer refunds	1,709	1,709
Related parties	27	40
Regulatory balancing accounts	978	1,030
Other	513	402
Interest payable	543	570
Deferred income taxes	193	118
Other	1,153	1,346
Total current liabilities	6,516	7,680
Noncurrent Liabilities		
Long-term debt	7,393	6,697
Energy recovery bonds	1,852	1,936
Regulatory liabilities	3,590	3,392
Asset retirement obligations	1,484	1,466
Income taxes payable	99	-
Deferred income taxes	3,010	2,972
Deferred tax credits	104	106
Other	1,882	1,922
Total noncurrent liabilities	19,414	18,491
Commitments and Contingencies (Notes 2, 4, 5, 10 and 11)		
Shareholders' Equity		
Preferred stock without mandatory redemption provisions:		
Nonredeemable, 5.00% to 6.00%, outstanding 5,784,825 shares	145	145
Redeemable, 4.36% to 5.00%, outstanding 4,534,958 shares	113	113
Common stock, \$5 par value, authorized 800,000,000 shares, issued 279,624,823 shares	1,398	1,398
Common stock held by subsidiary, at cost, 19,481,213 shares	(475)	(475)
Additional paid-in capital	1,832	1,822
Reinvested earnings	5,323	5,213
Accumulated other comprehensive loss	(11)	(16)
Total shareholders' equity	8,325	8,200
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 34,255	\$ 34,371

See accompanying Notes to the Condensed Consolidated Financial Statements.